

PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

Rail Safety and Carriers Division

RESOLUTION TL-18943

October 5, 2000

RESOLUTION

RESOLUTION EXTENDING THE AUTHORITY GRANTED TO
PASSENGER STAGE CORPORATIONS BY RESOLUTIONS TL-18904
AND TL-18923 TO ADJUST THEIR FARES WITHOUT SPECIFIC
APPROVAL OF THE COMMISSION

SUMMARY

This resolution extends the authority granted by Resolutions TL-18904 and TL-18923 allowing passenger stage corporations (PSCs) to adjust their fares without specific Commission authorization.

BACKGROUND

By Resolution TL-18904, dated October 21, 1999, we authorized PSCs for a 180-day period to file tariffs with fares that are within a “zone of reasonableness” whose upper limit is 15% above their current fares. This action was taken in response to the significant increases in fuel prices that had occurred in California. We wanted PSCs to be able to obtain needed fare relief with minimum regulatory burden. Without this special authority carriers would have to make formal application to the Commission for either a fare increase or a zone of rate freedom. The authority granted by Resolution TL-18904 was extended to October 15, 2000, by Resolution TL-18923, dated March 16, 2000.

DISCUSSION

The circumstances that existed when we issued Resolutions TL-18904 and TL-18923 have not changed significantly. Fuel prices in California remain high. We wish to continue to provide PSCs with a simple process to obtain fare relief. It is therefore appropriate that the authority to adjust fares continue.

In the earlier resolutions we commented that the Commission and its staff would be reviewing options for giving PSCs greater fare flexibility. It remains our intention to look at this issue as part of a broad examination of the passenger carrier regulatory program. While this process is underway at the staff level, the Commission has not yet commenced a formal proceeding on the matter.

We will extend the special authority for one year. It is possible that during this period a Commission examination of the passenger carrier regulatory program could result in changes that would affect this authority. Additionally, the Rail Safety and Carriers Division will be monitoring fuel prices, and if price changes warrant cancellation or modification of the authority, we will act accordingly.

COMMENTS ON DRAFT RESOLUTION

To comply with Pub. Util. Code § 311(g), RSCD commenced publication of a Daily Calendar notice on September 5, 2000, that apprised the public of the availability of its draft of this resolution and solicited comments by September 25, 2000. [Disposition of comments.]

THEREFORE, IT IS ORDERED that:

1. The authority granted by Resolutions TL-18904 and TL-18923 permitting passenger stage corporations (PSCs) to file tariffs with fares that are within a “zone of reasonableness” whose upper limit is 15% above their current fares is extended to October 15, 2001, unless earlier modified or cancelled by the Commission.
2. Until October 15, 2001, PSCs that have been individually granted a zone of rate freedom pursuant to Public Utilities Code Section 454.2 are permitted to file tariffs with fares that are within a “zone of reasonableness” whose upper limit is 15% above their authorized zone of rate freedom.
3. PSCs shall be allowed to exercise the actions permitted by Ordering Paragraphs 1 and 2 by making a tariff filing showing a percentage surcharge on any or all of their tariff fares and charges within the range authorized.
4. Tariff filings pursuant to this order may be made effective upon one day’s notice (one day after filing with the Commission).

5. Any tariff filings authorized by this order shall expire October 15, 2001, absent further order by this Commission. Any PSC that made a tariff filing under Resolution TL-18923 shall make an amended filing reflecting the new expiration date of October 15, 2001.
6. The Executive Director shall cause a copy of this resolution to be served on every passenger stage corporation holding a certificate from the Commission.

This resolution is effective today.

I certify that the foregoing resolution was duly introduced, passed, and adopted by the Commission at its regularly scheduled meeting on October 5, 2000. The following Commissioners voted favorably thereon:

WESLEY M. FRANKLIN
Executive Director